

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 LAB-04

SIL-01 PA-01 PRS-01 /082 W  
----- 051529

R 121453Z FEB 75

FM AMEMBASSY HELSINKI

TO SECSTATE WASHDC 9643

INFO USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: ETRD, ECON, FI

SUBJECT: LARGE FOREIGN TRADE DEFICIT IN JANUARY

REF: HELSINKI 128

BEGIN UNCLASSIFIED

1. PRELIMINARY CUSTOMS DATA SHOWS FINNISH FOREIGN TRADE IN JANUARY 1976 IN DEFICIT BY 536 MILLION MARKS. THIS IS 15 PERCENT LOWER THAN MONTHLY AVERAGE FOR 1975 AND 25 PERCENT BELOW JANUARY 1975. HOWEVER, IF DEFICIT REMAINS AT THIS LEVEL THROUGHOUT 1976, YEARLY DEFICIT WILL BE SECOND WORST IN HISTORY. DURING JANUARY 1976, EXPORTS (FOB BASIS) COVERED ONLY 75 PERCENT OF IMPORTS (CIF BASIS). END UNCLASS.

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2. COMMENT: GOF HAS MADE SEVERAL COMMITMENTS END BY MARCH 1976 IMPORT DEPOSIT SCHEME INTRODUCED IN MARCH 1975 TO BUY TIME FOR MORE FUNDAMENTAL MEASURES TO RESTORE EQUILIBRIUM. TIGHT MONEY AND RESTRAINT ON GROWTH OF BUSINESS  
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AND GOVERNMENT EXPENDITURES HAVE BEEN ATTEMPTED.

CENTRALIZED WAGE SETTLEMENT THIS YEAR PROVIDES FOR  
MORE MODERATE INCREASE IN TOTAL WAGE BILL THAN IN ANY  
YEAR SINCE 1970. FINNISH INFLATION IN 1976 MAY BE  
ABOUT TEN PERCENT LESS THAN TWO-THIRDS THAT OF 1975 (ALTHOUGH  
LIKELY STILL EXCEED OECD AVERAGE). FINNISH RESERVES OF CONVERTIBLE  
CURRENCY HAVE BEEN RUN DOWN AS FAR AS IS COMFORTABLE.  
QUESTIONS REMAINS HOW LONG FINNS CAN GO ON RUNNING  
LARGE TRADE DEFICITS BORROWING ABROAD TO COVER THESE,  
WHILE ESSENTIALLY SIMPLY WAITING FOR EXPANSION ABROAD  
TO RESTORE BALANCE TO THEIR FOREIGN TRADE.  
AUSTAD

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC GROWTH, TRADE DATA, BALANCE OF PAYMENTS DEFICITS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975HELSIN00303  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760054-0629, D750052-1083, D750051-0252  
**From:** HELSINKI  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750251/aaaabtkm.tel  
**Line Count:** 72  
**Locator:** TEXT ON-LINE, ON MICROFILM  
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**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** LOU  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SPECIAL REPORT ON INTERNATIONAL DISBURSEMENTS FOR PERIOD ENDING DECEMBER 31, 1974.  
**TAGS:** AFIN, ETRD, ECON, FI  
**To:** FSE SECSTATE WASHDC FS  
**Type:** TE  
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